SEPTEMBER 29, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON SEPTEMBER 29, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON SEPTEMBER 29, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 6; SURFACE ACTIONS AS LISTED ON PAGES 6 TO 23; DEVELOPMENT ACTIONS AS LISTED ON PAGES 23 TO 26; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 27.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON MONDAY, OCTOBER 13, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.

KEVIN S. CARTER, DIRECTOR SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIALS PERMIT NO. 428 OVER-THE-COUNTER SAND AND GRAVEL (APPROVAL)

APPLICANT:

Shawn Reber Farms P.O. Box 13 New Castle, UT 84756

AFFECTED LANDS:

Township 35 South, Range 15 West, SLB&M.

SEC. 22: N¹/₂N¹/₂NW¹/₄

COUNTY: Iron ACRES: $40.0\pm$ FUND: SCH

The subject lands have been designated for over-the-counter sand and gravel sales. Royalty rate for this pit is set at \$0.50 per cubic yard. Term of the permit is one year. Applicant plans to utilize the material in support of his farming operation.

Upon recommendation of Mr. Tom Faddies, the Director approved the issuance of Materials Permit No. 428 for a term of one year.

METALLIFEROUS MINERALS LEASE APPROVALS

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals lease applications listed below at a minimum annual rental rate of \$500 per lease or \$1 per acre, whichever is greater. The production royalty, as provided in the lease form, approved by the Director of the Trust Lands Administration, is 8% for fissionable minerals and 4% for non-fissionable minerals - based on the gross value of the ore. The land status has been examined utilizing both the plat books and the business system and the lands were found to be open and available. The applications have been checked for completeness and found to be in proper order. The business system and plat books have been updated to show the lease applications as existing contracts on the lands described below:

 ML 51500
 T22S, R18E, SLB&M.
 Grand

 Robert Ray Norman, Sr.,
 SEC. 36: ALL
 1280.00 Acres

Revocable Trust

P.O. Box 1300 <u>T23S, R19E, SLB&M.</u>

Moab, UT 84532 Sec. 36: ALL

Annual Rental: \$1280

FUND: SCH

METALLIFEROUS MINERALS LEASE APPROVALS (CONTINUED)

<u>ML 51501</u> <u>T24S, R19E, SLB&M.</u> Grand

Robert Ray Norman, Sr., SEC. 2: LOTS 1(40.20), 2(40.13), 3(40.05), 4(39.98), 1305.08 Acres

Revocable Trust S½N½, S½ [ALL]

P.O. Box 1300

Moab, Utah 84532 <u>T23S, R18E, SLB&M.</u>

SEC. 2: LOTS 1(46.04), 2(46.14), 3(46.22), 4(46.32),

Annual Rental: \$1306 S¹/₂N¹/₂, S¹/₂ [ALL]

FUND: SCH

PARTIAL RELINQUISHMENT OF LANDS HELD UNDER ML 51066 - METALLIFEROUS MINERALS

By letter dated September 19, 2008, Anasazi Gold Reserves, the record title owner of Metalliferous Minerals lease ML 51066, has requested partial relinquishment of lands held under the lease agreement. Land relinquished and lands retained are as follows:

RELINQUISHED LAND: T32S, R6W, SLB&M. Iron

SEC. 2: LOTS 3(39.25), 4(38.55), S½NW¼, S½ 477.80 Acres

(LOTS AKA N¹/₂NW¹/₄)

FUND: SCH

RETAINED LAND: T32S, R6W, SLB&M. Iron

SEC. 16: LOTS 1(43.15), 2(43.10), 3(43.04), 4(42.99), 652.28 Acres

E½, E½W½ [ALL]

FUND: SCH

Upon recommendation of Mr. Stokes, the Director approved the partial relinquishment of land from Metalliferous Minerals lease ML 51066, as outlined above.

TOTAL ASSIGNMENT - OIL, GAS, AND HYROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to *Augustus Energy Partners*, *LLC* (80%), 2016 Grand Avenue, Suite A, Billings, MT 59102, and *Foothills Resources*, *LLC*, *dba Badger Foothills Resources*, *LLC* (20%), 1200 17th Street, Suite 2100, Denver, CO 80202, by Slate River Resources LLC. No override, but subject to 5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT: OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE: RECORD TITLE:

SLATE RIVER RESOURCES LLC - 100% AUGUSTUS ENERGY PARTNERS, LLC -80%,

FOOTHILLS RESOURCES, LLC, DBA

BADGER FOOTHILLS RESOURCES, LLC - 20%

....ML 4113 (SCH)....ML 22208 (SCH)....ML 25151 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the lease listed below to Roadrunner Oil & Gas (USA), Inc., 181 University Avenue, Suite 1812, Toronto, Ontario, Canada M5H 3M7, by Eternal Energy Corp., who reserves 1.25% overriding royalty, in addition to 5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT: RECORD TITLE: ETERNAL ENERGY CORP. - 100% OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

ETERNAL ENERGY CORP. – 50%,

ROADRUNNER OIL & GAS (USA), INC. – 50%

....ML 49673 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the leases listed below to Roadrunner Oil & Gas (USA), Inc., 181 University Avenue, Suite 1812, Toronto, Ontario, Canada M5H 3M7, by Eternal Energy Corp., who reserves 2.5% overriding royalty. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT: RECORD TITLE: ETERNAL ENERGY CORP. - 100% OWNERSHIP AFTER ASSIGNMENT:
RECORD TITLE:
ETERNAL ENERGY CORP. – 50%,
ROADRUNNER OIL & GAS (USA), INC. – 50%

....ML 51137 (SCH)....ML 51250 (SCH)....ML 51251 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 40% interest in and to the leases listed below to Oxy USA Inc., 5 Greenway Plaza, Suite 110, Houston, TX 77046-0504, by Pioneer Oil and Gas, who reserves 3% of 8/8ths overriding royalty, in addition to previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

PIONEER OIL AND GAS – 50%,

CHIEF EXPLORATION & DEVELOPMENT

LLC–50%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

CHIEF EXPLORATION & DEVELOPMENT

LLC – 50%,

OXY USA INC. – 40%,

PIONEER OIL AND GAS – 10%

....*ML 50347* (SCH: 661.07; IB: 40.00)....*ML 50350* (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in and to the lease listed below to Oxy USA Inc., 5 Greenway Plaza, Suite 110, Houston, TX 77046-0504, by International Petroleum LLC, who reserves 2.5% of 8/8ths overriding royalty, in addition to previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

INTERNATIONAL PETROLEUM LLC - 62.50%, CHIEF EXPLORATION & DEVELOPMENT LLC - 37.50%,

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

INTERNATIONAL PETROLEUM LLC – 37.50%, CHIEF EXPLORATION & DEVELOPMENT LLC - 37.50%, OXY USA INC. - 25%

....ML 49153 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 20% interest in and to the leases listed below to Oxy USA Inc., 5 Greenway Plaza, Suite 110, Houston, TX 77046-0504, by Pioneer Oil and Gas, who reserves 1.50% of 8/8ths overriding royalty, in addition to previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

CHIEF EXPLORATION & DEVELOPMENT LLC - 50%, INTERNATIONAL PETROLEUM LLC – 25%, PIONEER OIL AND GAS – 25%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

CHIEF EXPLORATION & DEVELOPMENT LLC - 50%, INTERNATIONAL PETROLEUM LLC – 25%, **OXY USA INC. - 20%,** PIONEER OIL AND GAS - 5%

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....ML 49790 (SCH: 71.50; NS: 80.00; UNIV: 35.00; DEAF: 5.88)...ML 49807 (SCH)....ML 49849 (SCH)....
...ML 49850 (SCH)...ML 49852 (SCH)...ML 49858 (SCH)...ML 49859 (SCH)...ML 49860 (SCH)...
....ML 49861 (SCH)....ML 49869 (SCH)....ML 49872 (SCH)....ML 49873 (SCH)....ML 49978 (SCH)....
....ML 49980 (IB: 240.00 USH: 80.00)...ML 50235 (DEAF)....ML 50236 (SCH)....ML 50237 (SCH)....
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....**ML 49779** (SCH: 240.00 MH: 80.00)....**ML 49780** (SCH: 80.00; NS: 80.00; USU: 200.00)....

....*ML* 50456 (SCH: 80.00; MH: 760.00; NS: 40.00; USH: 40.00; RES: 40.00)....

....*ML 50457* (SCH: 200.00; MH: 559.00)...*ML 50463* (SCH)....*ML 50989* (SCH)....*ML 50991* (SCH)....

....**ML 51116** (SCH)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 20% interest in and to the leases listed below to Oxy USA Inc., 5 Greenway Plaza, Suite 110, Houston, TX 77046-0504, by Pioneer Oil and Gas, who reserves 1.50% of 8/8ths overriding royalty, in addition to previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

INTERNATIONAL PETROLEUM LLC – 75%. PIONEER OIL AND GAS - 25%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

INTERNATIONAL PETROLEUM LLC – 75%, *OXY USA INC.* – 20%,

PIONEER OIL AND GAS - 5%

....*ML* 50990 (SCH)....*ML* 50992 (SCH: 1187.00; USH: 160.00; NS: 80.00)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 5% interest in and to the leases listed below to Oxy USA Inc., 5 Greenway Plaza, Suite 110, Houston, TX 77046-0504, by International Petroleum LLC, who reserves .50% of 8/8ths overriding royalty, in addition to previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

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OWNERSHIP BEFORE ASSIGNMENT:
                                                OWNERSHIP AFTER ASSIGNMENT:
RECORD TITLE:
                                                RECORD TITLE:
  CHIEF EXPLORATION & DEVELOPMENT
                                                   CHIEF EXPLORATION & DEVELOPMENT
    LLC - 50\%,
                                                       LLC - 50\%,
  INTERNATIONAL PETROLEUM LLC - 25%,
                                                   INTERNATIONAL PETROLEUM LLC - 20%,
  PIONEER OIL AND GAS – 25%
                                                   PIONEER OIL AND GAS – 25%,
                                                   OXY USA INC. - 5%
....ML 49631 (SCH: 40.00; MH: 628.68)...ML 49632 (SCH)...ML 49633 (SCH: 120.60; NS: 40.05)....
....ML 49638 (SCH)....ML 49640 (SCH)....ML 49641 (SCH)....ML 49642 (SCH: 1697.69; RES: 80.00)....
....ML 49643 (SCH: 640.00; MH: 320.00)...ML 49646 (SCH)....ML 49681 (SCH)....ML 49682 (SCH)....
....ML 49683 (SCH)....ML 49694 (SCH)....
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Upon recommendation of Ms. Garrison, the Director approved the assignment of 5% interest in and to the leases listed below to Oxy USA Inc., 5 Greenway Plaza, Suite 110, Houston, TX 77046-0504, by International Petroleum LLC, who reserves .375% of 8/8ths overriding royalty, in addition to previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP AFTER ASSIGNMENT:

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RECORD TITLE:
                                                   RECORD TITLE:
  CHIEF EXPLORATION & DEVELOPMENT
                                                      CHIEF EXPLORATION & DEVELOPMENT
    LLC - 50\%,
                                                          LLC - 50\%,
  INTERNATIONAL PETROLEUM LLC - 25%,
                                                      OXY USA INC. - 25%
  OXY USA INC. -20\%,
                                                      INTERNATIONAL PETROLEUM LLC - 20%,
  PIONEER OIL AND GAS - 5%
                                                      PIONEER OIL AND GAS – 5%,
....ML 49779 (SCH: 240.00 MH: 80.00)....ML 49780 (SCH: 80.00; NS: 80.00; USU: 200.00)....
....ML 49790 (SCH: 71.50; NS: 80.00; UNIV: 35.00; DEAF: 5.88)....ML 49807 (SCH)....ML 49849 (SCH)....
....ML 49850 (SCH)....ML 49852 (SCH)....ML 49858 (SCH)....ML 49859 (SCH)....ML 49860 (SCH)....
....ML 49861 (SCH)....ML 49869 (SCH)....ML 49872 (SCH)....ML 49873 (SCH)....ML 49978 (SCH)....
....ML 49980 (IB: 240.00 USH: 80.00)....ML 50235 (DEAF)....ML 50236 (SCH)....ML 50237 (SCH)....
....ML 50456 (SCH: 80.00; MH: 760.00; NS: 40.00; USH: 40.00; RES: 40.00)....
....ML 50457 (SCH: 200.00; MH: 559.00)...ML 50463 (SCH)....ML 50989 (SCH)....ML 50991 (SCH)....
....ML 51116 (SCH)
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OWNERSHIP BEFORE ASSIGNMENT:

REFUND OF 11TH YEAR RENTAL AND MINIMUM ROYALTY - ML 47726 - OIL, GAS, AND HYDROCARBON (SCH: 1187.93; MH: 63.12; USH: 80.00)

The Director, on August 25, 2008, approved the termination of the above-numbered lease. This lease was in the West Pine Springs Unit and the operator failed to commence drilling within the specified timeframe. The lease was terminated *ab initio*. The lease was not entitled to be extended into its secondary term and was, therefore, terminated as of July 1, 2008. Dale Armstrong, lessee, paid the 11th year rental and minimum royalty in the amount of \$10,656.00.

Upon recommendation of Ms. Garrison, the Director approved a refund in the amount of \$10,656.00 due to Dale Armstrong, 435 Northmont Way, Salt Lake City, UT 84103.

<u>APPROVAL OF ESTABLISHMENT OF INITIAL PARTICIPATING AREA FOR THE ROCK SPRINGS UNIT – ML 47564 (SCH) – OIL, GAS, AND HYDROCARBON</u>

Wind River II Corporation (Operator) has provided this office with a letter dated September 4, 2008, certifying that the Kelly Canyon 10-8-16-22 Well is producing commercial quantities of hydrocarbons and requests an initial participating area of 160.00 acres for production from the well in the Cedar Mountain Formation covering the following lands:

T16S, R22E, SLB&M.
SEC. 8: SW¹/₄NE¹/₄, SE¹/₄NW¹/₄, NE¹/₄SW¹/₄, NW¹/₄SE¹/₄
(ML 47564)

160.00 acres, more or less Grand County

Trust Lands, as the authorized officer of this unit, accepts the above-proposed PA which will be the initial PA for the Rock Springs Unit effective with the first production from the subject well which occurred on August 29, 2008.

Upon recommendation of Ms. Garrison, the Director approved the above-listed establishment of Participating Area for the Rock Springs Unit.

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT NO. 23247 (REINSTATEMENT)

Casey Bassett, 1220 N. 4000 W., Delta, UT 84674, has requested the reinstatement of GP 23247, which was canceled for non-payment on August 15, 2008. The permittee has submitted the grazing rental of \$68.40, the weed fee of \$1.80, the reinstatement fee of \$30.00, and the \$30.00 late fee, totaling \$130.20. Juab County. School Fund.

Upon recommendation of Ms. Paula Lane, the Director approved the reinstatement of GP 23247.

GRAZING PERMIT NO. 23137 (REINSTATEMENT)

Frank L. Davies, 275 S. 100 E., Fillmore, UT 84631, has requested reinstatement of GP 23137, which was canceled for non-payment on August 15, 2008. The permittee has submitted a total of \$110.70, which includes the grazing rental of \$49.40, the weed fee of \$1.30, the reinstatement fee of \$30.00, plus the \$30.00 late fee. Millard County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the reinstatement of GP 23137.

GRAZING PERMIT NO. 22275-08 (AMENDMENT – ADDITION OF ACREAGE AND AUMS)

Kirk Chynoweth, P.O. Box 42, Tropic, UT 84776, has requested the addition of the following acreage to the above referenced grazing permit:

T36S, R5W, SLB&M

Sec. 2: Lot 2, SE¹/₄NE¹/₄, SE¹/₄ 237.44 Acres 14 AUMs

GP 22275-08 will now contain 797.44 acres and 38.00 AUMs. The \$50.00 amendment fee, \$1.39 weed fee, and \$52.82 grazing fee has been paid, totaling \$104.21. There is a \$10.00 overpayment that will be credited to 2009 grazing fees. Garfield County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the addition of acreage and AUMs for GP 22275-08.

GRAZING PERMIT NO. 22869-07 (RESCISSION OF CANCELLATION)

GP 22869-07 is issued to Paul Holyoak, P.O. Box 232, Moab, UT 84532. GP 22869-07 was canceled for non-payment on September 8, 2008. However, the payment was made but credited to expired GP 22869. The fees should be transferred to GP 22869-07 and the cancellation should be rescinded. Grand County. School and USU Funds.

Upon recommendation of Mr. Ron Torgerson, the Director rescinded the cancellation of GP 22869-07.

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5175 (APPROVAL)

The School and Institutional Trust Lands Administration has received a right of entry application from Wolverine Data Acquisition, LLC, One River Front Plaza, 55 Campau, NW, Grand Rapids, MI 49503, to occupy the following described trust lands located within Sevier County to conduct a 2D seismic survey:

Township 21 South, Range 1 East, SLB&M

Sec 16: Within Sec 32: Within

There is no fee for this right of entry because all lands crossed are leased by the applicant. The \$50.00 application and a \$50.00 processing fee, totaling \$100.00, have been received. School Fund. Sevier County. Beginning Date: September 1, 2008. Expiration Date: March 31, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5175.

RIGHT OF ENTRY NO. 5176 (APPROVAL)

The School and Institutional Trust Lands Administration has received a right of entry application from Wolverine Data Acquisition, LLC, One River Front Plaza, 55 Campau, NW, Grand Rapids, MI 49503, to occupy the following described trust lands located within Sevier County to conduct a 2D seismic survey:

Township 19 South, Range 1 East, SLB&M

Sec 2: Within

Sec 3: Within

Sec 4: Within

Sec 10: Within

Sec 11: Within

Sec 15: Within

Sec 22: Within

Sec 23: Within

500 25. William

Township 19 South, Range 2 East, SLB&M

Sec 14: Within

Sec 16: Within

Sec 19: Within

Sec 23: Within

Sec 36: Within

Township 20 South, Range 1 East, SLB&M

Sec 1: Within

Sec 12: Within

There is no fee for this right of entry because all lands crossed are leased by the applicant. The \$50.00 application and a \$50.00 processing fee, totaling \$100.00, have been received. School, USU, Normal School, School of Mines, and Reservoirs Funds. Sanpete County. Beginning Date: September 1, 2008. Expiration Date: March 31, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5176.

RIGHT OF ENTRY NO. 5177 (APPROVAL)

The School and Institutional Trust Lands Administration has received a right of entry application from Wolverine Data Acquisition, LLC, One River Front Plaza, 55 Campau NW, Grand Rapids, MI 49503, to occupy the following described trust lands located within Sevier County to conduct a 2D seismic survey:

Township 25 South, Range 3 West, SLB&M

Sec 2: Within

Township 26 South, Range 1 East, SLB&M

Sec 16: Within

The fee for this right of entry is \$500.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$600.00. School Fund. Sevier County. Beginning Date: September 1, 2008. Expiration Date: March 1, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5177.

RIGHT OF ENTRY NO. 5178 (APPROVAL)

The School and Institutional Trust Lands Administration has received a right of entry application from Wolverine Data Acquisition, LLC, One River Front Plaza, 55 Campau, NW, Grand Rapids, MI 49503, to occupy the following described trust lands located within Sevier and Sanpete Counties to conduct a 2D seismic survey:

Township 19 South, Range 1.5 East, SLB&M

Sec 36: Within

Township 21 South, Range 1 West, SLB&M

Sec 16: Within

Township 21 South, Range 2 West, SLB&M

Sec 2: Within Sec 16: Within

Township 22 South, Range 2 West, SLB&M

Sec 32: Within

Township 23 South, Range 2 West, SLB&M

Sec 8: Within

The fee for this right of entry is \$900.00 plus a \$50.00 application and a \$50.00 processing fee, totaling \$1,000.00. School, Normal School, and University Funds. Sanpete and Sevier Counties. Beginning Date: September 1, 2008. Expiration Date: August 31, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5178.

RIGHT OF ENTRY NO. 5179 (APPROVAL)

The School and Institutional Trust Lands Administration has received a right of entry application from Wolverine Data Acquisition, LLC, One River Front Plaza, 55 Campau, NW, Grand Rapids, MI 49503, to occupy the following described trust lands located within Sanpete and Millard Counties to conduct a 2D seismic survey:

Township 17 South, Range 1 West, SLB&M

Sec 2: Within

Sec 32: Within

Sec 33: Within

Sec 34: Within

Township 18 South, Range 1 West, SLB&M

Sec 9: Within

Sec 10: Within

Sec 15: Within

Sec 16: Within

Sec 22: Within

Sec 26: Within

Township 18 South, Range 1.5 West, SLB&M

Sec 2: Within

Sec 3: Within

RIGHT OF ENTRY NO. 5179 (APPROVAL) (CONTINUED)

Township 18 South, Range 2 West, SLB&M

Sec 12: Within Sec 13: Within Sec 24: Within

Township 17 South, Range 1 East, SLB&M

Sec 23: Within Sec 32: Within Sec 36: Within

Township 17 South, Range 2 East, SLB&M

Sec 16: Within

Township 18 South, Range 1 East, SLB&M

Sec 9: Within Sec 16: Within

Township 19 South, Range 1 East, SLB&M

Sec 2: Within Sec 11: Within

The fee for this right of entry is \$1,100.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$1,200.00. School and USU Funds. Sanpete and Millard Counties. Beginning Date: September 1, 2008. Expiration Date: August 31, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5179.

RIGHT OF ENTRY NO. 5241 (APPROVAL)

The School and Institutional Trust Lands Administration has received a right of entry application from Garfield County School District, Dr. George Park, Superintendent, P.O. Box 398, Panguitch, UT 84759, to occupy the following described trust land located within Garfield County for the temporary use of an irrigation well site, and installing a pipeline and pump station:

Township 35 South, Range 3 East, SLB&M

Sec 16: S½S½SW¼NE¼, N½N½NW¼SE¼, S½SW¼SE¼NE¼, N½NW¼NE¼SE¼ (Within)

The test well was drilled last year under ROE 5109, which will expire on December 31, 2008. The well was successful and the District has filed a lease application (SULA 1520) to cover the long term use of this land for a well site. An application for an easement will be filed for the long term use of the pipeline and pump station. This right of entry permit will allow continuation of the improvements while the lease and easement applications are in process. The District is under time constraints to put their water right to beneficial use by December of 2008.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. School Fund. Garfield County. Beginning Date: September 1, 2008. Expiration Date: August 31, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5241 for a term of one year.

RIGHT OF ENTRY NO. 5243

On September 18, 2008, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of Black Bay Entertainment, 231 Barnard Way, Ventura, CA 93001, to occupy the following described trust land located within Grand County for commercial photography:

T26S, R22E, SLB&M

Sec. 6: Within

The fee for this right of entry is \$300.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$400.00. Grand County. School Fund. Expiration date: September 23, 2008.

This item was submitted by Ms. Jeanine Kleinke for record-keeping purposes.

RIGHT OF ENTRY NO. 5244

On September 22, 2008, Mr. Kurt Higgins, Trust Lands Resource Specialist, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of RN Industries, Inc., 244 West Highway 40, Roosevelt, UT 84066, to occupy the following described trust land located within Uintah County to conduct soil samplings in conjunction with Special Use Lease No. 1538:

Township 10 South, Range 20 East, SLB&M

Section 36: All

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. Uintah County. School Fund. Beginning date: September 22, 2008. Expiration date: October 5, 2008.

This item was submitted by Mr. Kurt Higgins for record-keeping purposes.

RIGHT OF ENTRY NO. 5245 (APPROVAL)

On September 18, 2008, the School and Institutional Trust Lands Administration received an application from Book Cliff Outfitters, 927 Millstream Way, Bountiful, UT 84010, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to provide hunting guide services for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. Beginning date: October 1, 2008. Expiration date: September 30, 2009. Funding: School = 96.66%, USU = 0.83%, Deaf = 0.16%, Blind = 0.01%, MH = 0.18%, NS = 0.16%, PB = <0.01%, SYDC = <0.01%, RES = 1.26%, SM = 0.21%, UNIV = 0.51%.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5245 for a one-year term.

EASEMENTS

EASEMENT NO. 1417 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

PacifiCorp, DBA Rocky Mountain Power Right of Way Services 1407 West North Temple, Suite 110 Salt Lake City, Utah 84116

LEGAL DESCRIPTION:

Township 21 South, Range 16 East, SLB&M Section 36: S½NW¼, E½SW¼, SW¼SE¼ (within)

Power Line Easement:

A centerline description of a 20.0 foot wide power line easement, 10.0 feet on each side of the following described centerline in Section 36, T21S, R16E, SLB&M, Grand County, Utah, as follows:

Beginning at existing Pole #362600, said pole bears N 49°28'44" W 5504.1 feet from the southeast corner of Section 36, T21S, R16E, SLB&M, and proceeding thence with said centerline S 52°39'39" E 1538.5 feet to Pole 6 from whence the centerline of a 20.0 foot wide anchor easement bears N 59° E 35.0 feet; proceeding thence from said Pole 6 S 10°13'20" E 2286.3 feet to Pole 13 from whence the centerline of a 20 foot wide anchor easement bears S 75° W 35.0 feet; proceeding thence from said Pole 13 S 17°15'47" E 411.7 feet to the south line of said Section 36, the terminus of this centerline description. Contains 1.98 acres more or less.

Access Easement A:

A centerline description of a 20.0 foot wide access easement, 10.0 feet on each side of the following described centerline in Grand County, Utah, as follows:

Beginning at a point which bears N 49°33'34" W 4261.37 feet from the southeast corner of Section 36, T21S, R16E, SLB&M, and proceeding thence with said centerline of easement N 29°55' E 65.7 feet to the terminus of this centerline description. Contains 0.03 acres more or less.

Access Easement B:

A centerline description of a 20.0 foot wide access easement, 10.0 feet on each side of the following described centerline in Grand County, Utah, as follows:

Beginning at a point which bears N 53°05'20" W 3775.65 feet from the southeast corner of Section 36, T21S, R16E, SLB&M, and proceeding thence with said centerline of easement S 51°23' E 172.9 feet to the terminus of this centerline description. Contains 0.08 acres more or less.

Access Easement C:

A centerline description of a 20.0 foot wide access easement, 10.0 feet on each side of the following described centerline in Grand County, Utah, as follows:

Beginning at a point which bears N 89°15'57" W 2414.12 feet from the southeast corner of Section 36, T21S, R16E, SLB&M, and proceeding thence with said centerline of easement N 08°25' W 296.4 feet; thence N 54°57' W 103.7 feet to the terminus of this centerline description. Contains 0.18 acres more or less.

EASEMENT NO. 1417 (APPROVAL) (CONTINUED)

Access Easement D:

A centerline description of a 20.0 foot wide access easement, 10.0 feet on each side of the following described centerline in Grand County, Utah, as follows:

Beginning at a point which bears N 87°29'18" W 1788.28 feet from the southeast corner of Section 36, T21S, R16E, SLB&M, and proceeding thence with said centerline of easement S 39°10' W 101.1 feet to the south line of said Section 36, the terminus of this centerline description. Contains 0.05 acres more or less.

COUNTY: Grand ACRES: 2.32 FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain an overhead power line and associated access roads. The power line will service the Ruby Ranch property located in Grand County. The proposed power line will connect into an existing power line on trust lands within Section 36, T21S, R16E, and run in a southerly direction across Section 36. The power line then will cross several miles of BLM lands to the ranch property. This easement will also include four short segments of access road that will be constructed off existing roads in the area in order to construct and maintain the power line. The proposed easement corridor is 5,046.3 feet long and 20 feet wide, containing 2.32 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on August 5, 2008. Comments were received from the Utah Geological Survey and the Southeastern Utah Association of Governments as follows:

Utah Geological Survey:

"There are known significant vertebrate fossil localities recorded in our files in or near this project area, and the Jurassic Morrison Formation exposed here has the potential for yielding additional significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

Southeastern Utah Association of Governments:

"Favorable comment recommended."

The applicant has been notified of the comments provided by the RDCC.

Pursuant to the comments received from the Utah Geological Survey, the proposed easement corridor has been surveyed for paleontological resources by Intermountain Paleo-Consulting (Report No's. 08-51 & 08-184). No vertebrate fossils were discovered within the project area; however, it will be required that a permitted paleontologist monitor a short section of the power line construction where surface disturbance will occur within the Dakota, Cedar Mountain, and the Upper Morrison Formations. This segment is shown on Figure 1 of Report No. 08-51. If any fossils are discovered on any of the other lands along the power line corridor, a qualified paleontologist should be notified immediately to evaluate the discovery.

The Trust Lands Administration's staff archaeologist has reviewed the cultural resource survey that was conducted for this project by 4-Corners Archaeological Services (U-08-FE-0069b,s). No cultural resource sites were identified within the portion of the project on trust lands; therefore, cultural resource clearance has been given with a finding of "No Historic Properties Affected."

EASEMENT NO. 1417 (APPROVAL) (CONTINUED)

In order to preserve the option of using power from this power line for future activities on trust lands, the Trust Lands Administration will reserve the right to utilize any available capacity in the power line.

EVALUATION OF FACTS:

- 1. The proposed easement is not located entirely on trust lands.
- 2. The proposed easement term is for a period of 30 years.
- 3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
- 4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1417 for a term of 30 years beginning October 1, 2008, and expiring September 30, 2038, with the easement fee being \$3,468.27 plus the \$750.00 application fee. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.00.

EASEMENT NO. 1420 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Enduring Resources, LLC 475 17th Street, Suite 1500 Denver, Colorado 80202

LEGAL DESCRIPTION:

Township 12 South, Range 23 East, SLB&M Section 16: NW¹/4SE¹/4, E¹/2SE¹/4 (within)

A 40 foot wide easement, being 20 feet on each side of the following described centerline:

Beginning at a point in the NW¼SE¼ of Section 16, T12S, R23E, SLB&M, which bears S 63°38'21" W 1778.36 feet from the east ¼ corner of said Section 16; thence N 64°17'09" E 22.06 feet; thence N 65°55'33" E 47.39 feet; thence N 27°24'17" E 111.49 feet; thence N 62°05'23" E 82.24 feet; thence N 75°04'59" E 76.94 feet; thence N 83°02'50" E 37.37 feet; thence S 24°12'37" E 33.03 feet; thence S 17°55'11" E 63.14 feet; thence S 18°55'29" E 66.44 feet; thence S 07°27'15" E 50.84 feet to a point in the NE¼SE¼ of said Section 16, which bears S 63°00'12" W 1455.05 feet from the east ¼ corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is the east line of the NE¼ of said Section 16 which is assumed from G.L.O. information to bear N 00°08' W. Contains 0.543 acres more or less.

Also, beginning at a point in the NE¼SE¼ of Section 16, T12S, R23E, SLB&M, which bears S 32°56′23" W 1211.94 feet from the east ¼ corner of said Section 16; thence S 38°04′10" E 92.04 feet; thence S 58°43′40" E 37.32 feet; thence S 76°51′12" E 67.22 feet; thence S 88°25′49" E 71.80 feet; thence N 89°54′06" E 80.45 feet; thence S 73°47′03" E 84.88 feet; thence S 15°36′29" E 74.65 feet; thence S 08°59′33" E 52.06 feet; thence S 01°50′36" W 51.93 feet; thence S 31°40′29" W 61.85 feet; thence S 28°11′47" W 109.53 feet; thence S 03°10′53"

EASEMENT NO. 1420 (APPROVAL) (CONTINUED)

E 156.04 feet; thence S 31°35'57" E 124.75 feet; thence S 74°50'49" E 133.21 feet; thence S 49°40'45" E 37.57 feet; thence S 15°33'18" W 52.03 feet; thence S 46°19'17" W 85.71 feet; thence S 30°31'52" W 119.40 feet; thence S 49°59'39" W 103.91 feet; thence S 12°34'17" E 93.41 feet; thence S 55°56'38" E 142.83 feet; thence S 18°24'56" E 98.64 feet; thence S 15°45'53" W 62.62 feet; thence S 54°55'32" W 146.77 feet; thence S 55°01'06" W 50.82 feet to a point in the SE¹4SE¹4 of said Section 16, which bears N 69°27'48" W 366.41 feet from the southeast corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is the east line of the NE¹4 of said Section 16 which is assumed from G.L.O. information to bear N 00°08' W. Contains 2.012 acres more or less.

COUNTY: Uintah ACRES: 2.555 FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain a 6-inch diameter surface natural gas pipeline and an existing access road. The access road and pipeline will service the DWR 12-23-31-21, DWR 12-23-34-16, and DWR 12-23-44-16 Wells located on lands owned by the Division of Wildlife Resources to the south. The proposed pipeline will be laid parallel to the existing access road. The proposed easement corridor is 2,782.38 feet long and 40 feet wide, containing 2.555 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on August 25, 2008. Comments were received from the Department of Environmental Quality/Division of Air Quality, the Utah Geological Survey, and the Uintah County Commission as follows:

Department of Environmental Quality/Division of Air Quality:

"This proposal may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available online at http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf

"In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/public/code/r307/r307.htm."

Utah Geological Survey:

"Although there are no paleontological localities recorded in our files for this project area, the Eocene Uinta Formation exposed here has the potential for yielding significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

EASEMENT NO. 1420 (APPROVAL) (CONTINUED)

Uintah County Commission:

"Thank you for the opportunity to comment on the construction, operation, repair, and maintenance by Enduring Resources, LLC for an existing access road and a 6-inch diameter surface natural gas pipeline located in T12S, R23E, Sec. 16: NW¹/₄SE¹/₄ (within) in Uintah County. The access road and pipeline would service the DWR 12-23-31-21, DWR 12-23-41-21, DWR 12-23-34-16, and DWR 12-23-44-16 Wells. The proposed pipeline would be laid parallel to the existing access road. The proposed easement corridor is 2782.38 feet long and 40 feet wide, containing 2.555 acres.

"Uintah County supports this action, keeping ground disturbance, caused by increase in traffic, equipment, dust, and noise emissions during construction, at a minimum. It is the County's understanding (from looking at the attached map with the easement application) that the existing access road is not part of the County's transportation system where the pipeline would be adjacently placed.

"We would ask that Enduring Resources, LLC contact the Uintah County Planning & Zoning Department for the necessary County permits.

"We have no further comment at this time, but reserve the right to comment at a later date if warranted."

The applicant has been notified of the comments provided by the RDCC. The comments submitted by the Department of Environmental Quality/Division of Air Quality are addressed within Paragraph 13 of the easement agreement.

Pursuant to the comments received from the Utah Geological Survey, the proposed easement corridor has been surveyed for paleontological resources by Intermountain Paleo-Consulting (Report No. 08-214). No vertebrate fossils were discovered within the project area; therefore, it was recommended that no paleontological restrictions be placed on the project. If any fossils are discovered during construction, a qualified paleontologist should be notified to evaluate the discovery.

The Trust Lands Administration's staff archaeologist has determined that the project area has been previously surveyed for cultural resources by Sagebrush Consultants (U-00-SJ-0033s). No significant cultural resource sites were identified within the project area; therefore, cultural resource clearance has been given with a finding of "No Historic Properties Affected."

In order to protect the potential future extraction of oil shale from the lands underlying this easement corridor, a relocation clause will be included in the easement agreement.

EVALUATION OF FACTS:

- 1. The proposed easement is not located entirely on trust lands.
- 2. The proposed easement term is for a period of 30 years.
- 3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
- 4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

EASEMENT NO. 1420 (APPROVAL) (CONTINUED)

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1420 for a term of 30 years beginning September 1, 2008, and expiring August 31, 2038, with the easement fee being \$4,047.10 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement, with the first payment being due on January 1, 2011.

EASEMENT NO. 1422 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Millard County
Millard County Courthouse
P.O. Box 854
Fillmore, UT 84631

LEGAL DESCRIPTION:

Township 16 South, Range 4 West, SLB&M

Section 2: SW¹/₄NE¹/₄ (within)

A 66 foot wide easement, being 33 feet on either side of the following described centerline:

Beginning at a point on the north line of the SW¼NW¼ of Section 2, Township 16 South, Range 4 West, SLB&M, said point being located S 03°39'37" E 1,334.08 feet, more or less, from the north ¼ corner of said Section 2, said point of beginning also being located on the centerline of an existing access road; thence running along the centerline of said access road S 16°06'21" E 32.17 feet; thence S 11°33'36" E 44.20 feet; thence S 08°07'48" E 46.40 feet; thence S 06°49'06" E 91.20 feet; thence S 07°16'04" E 163.39 feet; thence S 05°59'06" E 286.34 feet; thence S 06°29'10" E 426.94 feet; thence S 05°31'39" E 183.93 feet; thence S 08°13'48" E 55.92 feet to a point located on the south line of the SW¼NW¼ of Section 2, said point also being located on the centerline of an existing access road. Total length of easement is 1,330.49 feet, more or less. Containing 2.02 acres, more or less.

COUNTY: Millard ACRES: 2.02 FUND: School

PROPOSED ACTION:

The applicant requests an easement to operate, repair, and maintain an existing county-maintained access road. The proposed easement corridor is 1,330.49 feet long and 66 feet wide, containing 2.02 acres. The easement will be issued for a perpetual term. Millard County has applied for the Agency's Off-Highway Vehicle ("OHV") funding to pay the fees associated with the easement. The County has stated that the road will remain open to OHV use.

The parcel of land that will be crossed by this easement has been proposed for sale by the Trust Lands Administration. Pursuant to Rule R850-80-250, the notification process to evaluate whether any temporary easement or right-of-entry created under Utah Code Subsection 72-5-203(1)(a)(i) exists on the subject property was completed by the Trust Lands Administration. In response to this notification, Millard County notified the Trust Lands Administration that they claimed a temporary easement on the access road through the subject property and subsequently submitted an application to convert the temporary easement to a permanent easement.

EASEMENT NO. 1422 (APPROVAL) (CONTINUED)

The Trust Lands Administration has reviewed the claim of a temporary easement asserted by Millard County and has determined that the access road fits the requirements outlined in Utah Code Subsection 72-5-203(1)(a)(i) for a temporary easement. The administration has also evaluated the request to convert the temporary easement to a permanent easement pursuant to the administration's fiduciary responsibilities and has determined that it is in the best interest of the Trust Beneficiaries to grant a permanent easement for the access road.

RELEVANT FACTUAL BACKGROUND:

This easement application was exempt from review by the Resource Development Coordinating Committee ("RDCC") since the access road is already in existence and there will be no new disturbance to the easement corridor.

The proposed easement corridor has been surveyed for cultural resources by the Trust Lands Administration (U-08-UM-0706s). No sites were identified within the easement corridor; therefore, cultural clearance has been granted with a finding of "No Historic Properties Affected."

EVALUATION OF FACTS:

- 1. The proposed easement is located entirely on trust lands. However, the road that is encompassed by this easement crosses other private and federal lands.
- 2. The proposed easement term is perpetual.
- 3. The applicant has requested that the Trust Lands Administration's OHV funding be used to pay the appropriate fees pursuant to R850-40-600. This qualifies for funding because the County has agreed that the access road will be open to OHV use.
- 4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1422 for a perpetual term, with the easement fee being \$806.36 plus the \$750.00 application fee. The administrative fee required by R850-40-1800 has been paid in a one-time payment of \$1,000.00. The County has applied for funding of the easement fee, application fee, and one-time administrative fee through the Trust Lands Administration's OHV funding program. This easement qualifies for funding based on the acknowledgement by the County that these access roads will remain open for OHV use.

SPECIAL USE LEASE AGREEMENTS

SPECIAL USE LEASE AGREEMENT NO. 1594 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Kerr-McGee Oil & Gas Onshore LP c/o Anadarko Petroleum Corporation P.O. Box 173779 Denver, Colorado 80217-3779

APPLICATION TYPE: INDUSTRIAL FIRST YEAR RENTAL: \$12,500.00 TERMS: 30 years APPLICATION FEE: 250.00 BEGINNING DATE: September 1, 2008 PROCESSING FEE: 700.00 ENDING DATE: August 31, 2038 TOTAL SUBMITTED: \$13,450.00

NEXT REVIEW DATE: September 1, 2013

LEGAL DESCRIPTION:

Township 9 South, Range 21 East, SLB&M Section 27: NW¼ (within)

Beginning at a point in the SW¼NW¼ of Section 27, T9S, R21E, SLB&M, which bears N $31^{\circ}04'47''$ E 875.14 ft from the West Quarter Corner of said Section 27; thence N $17^{\circ}58'46''$ W 161.44 ft; thence N $72^{\circ}00'55''$ E 162.73 ft; thence N $82^{\circ}52'07''$ E 3.41 ft; thence N $30^{\circ}58'23''$ E 218.94 ft; thence N $26^{\circ}03'39''$ E 91.06 ft; thence S $45^{\circ}45'55''$ E 76.18 ft; thence S $33^{\circ}28'12''$ E 67.37 ft; thence S $46^{\circ}29'06''$ E 35.53 ft; thence S $73^{\circ}15'52''$ E 193.71 ft; thence N $45^{\circ}33'57'$ E 24.28 ft; thence N $53^{\circ}16'26''$ E 23.90 ft; thence N $40^{\circ}38'53''$ E 64.93 ft; thence N $78^{\circ}11'24''$ E 210.64 ft; thence N $75^{\circ}06'04''$ E 132.81 ft; thence S $83^{\circ}00'15''$ E 25.02 ft; thence S $30^{\circ}43'45''$ E 71.72 ft; thence S $05^{\circ}13'13''$ W 23.20 ft; thence S $45^{\circ}29'55''$ W 56.72 ft; thence S $73^{\circ}07'38''$ N 743.12 ft; thence S $73^{\circ}36'01''$ W 70.78 ft; thence S $73^{\circ}35'53''$ W 187.03 ft; thence S $55^{\circ}31'35''$ W 45.84 ft to the point of beginning. Basis of bearings is a G.P.S. observation.

Containing 4.355 acres, more or less.

COUNTY: Uintah ACRES: 4.355 FUND: School

PROPOSED ACTION:

The applicant proposes to operate and maintain a gas compressor facility, described as the West Cottonwood Compressor Facility. The gas compressor facility will supplement existing and new development in the area. This compressor is located on State Lease UO 1194 AST within the Natural Buttes Unit, of which Kerr-McGee Oil & Gas Onshsore LP is the operator. The term of the special use lease agreement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The applicant was given approval to construct this compressor facility, as they are the operator of UO 1194 AST. This mineral lease gives the applicant permission to develop the mineral estate under that lease. At that time, only gas from that mineral lease was being processed at the facility. Since off-lease gas is now being processed, a surface lease is required for this site.

As the site was developed under UO 1194 AST, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

The application was exempt from competitive leasing pursuant to R850-30-500 (2)(c).

SPECIAL USE LEASE AGREEMENT NO. 1594 (APPROVAL) (CONTINUED)

Cultural resource inventories have been completed by Montgomery, U-07-MQ-1437, U-91-GB-0588 and U-07-MQ-0325, and reviewed by Trust Lands Administration's archaeology staff. There were no significant sites located on the subject property; therefore, "no historic properties affected for this project."

EVALUATION OF FACTS:

No competing applications were solicited pursuant to R850-30-500(2), as the applicant requested an exemption due to the facility being constructed under UO 1194 AST. The lease will contain a clause providing for escalation of the annual rental fee at the end of each five-year period, utilizing the approved index.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1594, with a beginning base rental of \$12,500.00. The term of the lease will be 30 years, with a five-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 1595 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Kerr-McGee Oil & Gas Onshore LP c/o Anadarko Petroleum Corporation P.O. Box 173779 Denver, Colorado 80217-3779

APPLICATION TYPE: INDUSTRIAL FIRST YEAR RENTAL: \$12,500.00 TERMS: 30 years APPLICATION FEE: 250.00 BEGINNING DATE: September 1, 2008 PROCESSING FEE: 700.00 ENDING DATE: August 31, 2038 TOTAL SUBMITTED: \$13,450.00

NEXT REVIEW DATE: September 1, 2013

LEGAL DESCRIPTION:

Township 9 South, Range 21 East, SLB&M

Section 36: NW¹/₄ (within)

Beginning at a point in the NW½NW½ of Section 36, T9S, R21E, SLB&M, which bears S $43^{\circ}12'21''$ E 1695.13 ft from the Northwest Quarter Corner of said Section 36; thence S $78^{\circ}25'25''$ E 87.71 ft; thence N $21^{\circ}30'14''$ E 55.62 ft; thence S $81^{\circ}20'43''$ E 124.57 ft; thence S $10^{\circ}07'58''$ W 199.99 ft; thence S $14^{\circ}57'11''$ W 48.97 ft; thence N $81^{\circ}53'41''$ W 74.42 ft; thence N $44^{\circ}00'04''$ W 43.40 ft; thence N $16^{\circ}54'50''$ W 52.29 ft; thence N $83^{\circ}32'01''$ W 77.84 ft; thence N $06^{\circ}33'26''$ E 129.12 ft to the point of beginning. Basis of bearings is a G.P.S. observation.

Containing 0.972 acres, more or less.

COUNTY: Uintah ACRES: 0.972 FUND: School

PROPOSED ACTION:

The applicant proposes to operate and maintain a gas compressor facility, described as the Morgan State Compressor Facility. The gas compressor facility will supplement existing and new development in the area. This compressor is located on State Lease ML 22265 within the Natural Buttes Unit, of which Kerr-McGee Oil & Gas Onshore LP is the operator. The term of the special use lease agreement will be 30 years.

SPECIAL USE LEASE AGREEMENT NO. 1595 (APPROVAL) (CONTINUED)

RELEVANT FACTUAL BACKGROUND:

The applicant was given approval to construct this compressor facility, as they are the operator of ML 22265. This mineral lease gives the applicant permission to develop the mineral estate under that lease. At that time, only gas from that mineral lease was being processed at the facility. Since off-lease gas is now being processed, a surface lease is required for this site.

As the site was developed under ML 22265, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

The application was exempt from competitive leasing pursuant to R850-30-500 (2)(c).

Cultural resource inventories have been completed by Montgomery, U05-MQ-1464 and U-95-MM-0713, and reviewed by Trust Lands Administration's archaeology staff. There were no significant sites located on the subject property; therefore, "no historic properties affected for this project."

EVALUATION OF FACTS:

No competing applications were solicited pursuant to R850-30-500(2), as the applicant requested an exemption due to the facility being constructed under ML 22265. The lease will contain a clause providing for escalation of the annual rental fee at the end of each five-year period, utilizing the approved index.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1595, with a beginning base rental of \$12,500.00. The term of the lease will be 30 years, with a five-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 1596 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Kerr-McGee Oil & Gas Onshore LP c/o Anadarko Petroleum Corporation P.O. Box 173779 Denver, Colorado 80217-3779

APPLICATION TYPE: INDUSTRIAL
TERMS: 30 years
BEGINNING DATE: September 1, 2008
ENDING DATE: August 31, 2038
NEXT REVIEW DATE: September 1, 2013
FIRST YEAR RENTAL: \$12,500.00
APPLICATION FEE: 250.00
PROCESSING FEE: 700.00
\$13,450.00

LEGAL DESCRIPTION:

Township 10 South, Range 22 East, SLB&M Section 12: NW¹/4NW¹/4 (within)

Beginning at a point in the NW¼NW¼ of Section 12, T10S, R22E, SLB&M, which bears S 45°55′51" E 727.92 ft from the Northwest Quarter Corner of said Section 12; thence N 66°27′44" E 63.41 ft; thence N 66°49′01"E 109.12 ft; thence N 13°15′19" E 20.52 ft; thence N 58°58′58" E 88.35 ft; thence S 79°34′42" E 38.56 ft; thence S

SPECIAL USE LEASE AGREEMENT NO. 1596 (APPROVAL) (CONTINUED)

45°05'11" E 59.02 ft; thence S 36°21'10" E 58.87 ft; thence S 35°44'01" E 76.79 ft; thence S 51°28'09" E 57.35 ft; thence S 51°46'42" E 39.95 ft; thence S 15°02'54" W 77.47 ft; thence S 76°54'19" W 232.82 ft; thence S 59°58'07" W 86.14 ft; thence N 79°18'56" W 53.89 ft; thence N 55°08'22" W 43.12 ft; thence N 43°25'03" W 53.72 ft; thence N 16°10'17" W 66.08 ft; thence N 17°32'51" E 35.75 ft; thence N 18°56'23" W 54.21 ft; thence N 04°33'29" W 33.35 ft to the point of beginning. Basis of bearings is a G.P.S. observation.

Containing 2.656 acres, more or less.

COUNTY: Uintah ACRES: 2.656 FUND: School

PROPOSED ACTION:

The applicant proposes to operate and maintain a gas compressor facility, described as the East Compressor Facility. The gas compressor facility will supplement existing and new development in the area. This compressor is located on State Lease UO 1197 AST within the Natural Buttes Unit, of which Kerr-McGee Oil & Gas Onshore LP is the operator. The term of the special use lease agreement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The applicant was given approval to construct this compressor facility, as they are the operator of UO 1197 AST. This mineral lease gives the applicant permission to develop the mineral estate under that lease. At that time, only gas from that mineral lease was being processed at the facility. Since off-lease gas is now being processed, a surface lease is required for this site.

As the site was developed under UO 1197 AST, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

Cultural resource inventories have been completed by Montgomery, U-91-MM-0707, U-04-MQ-4919, and MOAC-U-07-MQ-1438b,s and reviewed by Trust Lands Administration's archaeology staff. There were no significant sites located on the subject property; therefore, "no historic properties affected for this project."

EVALUATION OF FACTS:

No competing applications were solicited pursuant to R850-30-500(2), as the applicant requested an exemption due to the facility being constructed under UO 1197 AST. The lease will contain a clause providing for escalation of the annual rental fee at the end of each five-year period, utilizing the approved index.

This action qualifies as an exclusion to the narrative record of decision because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1596, with a beginning base rental of \$12,500.00. The term of the lease will be 30 years, with a five-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE NO. 1543 (RECLAMATION BOND)

Pursuant to Paragraph 14 of the lease agreement, Rio Virgin Telephone Company, 61 West Mesquite Blvd., Mesquite, NV 89027, has submitted a cash bond in the amount of \$5,000.00, effective September 9, 2008. The bond will remain in full force and effect until released by the Trust Lands Administration. Washington County. School Fund.

Upon recommendation of Mr. Gary Bagley, the Director accepted the bond submitted for SULA 1543.

SPECIAL USE LEASE NO. 1549 (RECLAMATION BOND)

Pursuant to Paragraph 21 of the lease agreement, EOG Resources, Inc., 1060 E. Highway 40, Vernal, UT 84078, has submitted Corporate Surety Bond No. 6592075 in the amount of \$40,000.00, effective August 21, 2008. The bonding company is Safeco Insurance Company of America, Safeco Plaza, Seattle, WA 98185. The bond will remain in full force and effect until released by the Trust Lands Administration. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1549.

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALES

THE FOLLOWING SALES HAVE BEEN EXECUTED AND PATENTS ISSUED FOR:

SUBD 10.0 Highland Park Phase 1 Subdivision

These transactions have been executed pursuant to Development Lease DEVL 610.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 42.0 S, Range 14.0 W, SLBM Section 7, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

GOLDEN HERITAGE HOMES, INC.

2303 N. CORAL CANYON BLVD. SUITE 200

ST. GEORGE, UT 84780

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 153	26377-10-153	09/22/08	19928-10-153	07/07/06	\$9,588.00	\$20.00	0.11	SCH	7
Lot 201	26377-10-201	09/15/08	19928-10-201	07/07/06	\$35,952.00	\$20.00	0.30	SCH	7
Lot 206	26377-10-206	09/22/08	19928-10-206	07/07/06	\$25,156.66	\$20.00	0.33	MH	7
Lot 207	26377-10-207	09/15/08	19928-10-207	07/07/06	\$29,372.64	\$20.00	0.49	MH	7

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Andrea James.

DEVELOPMENT LEASE NO. 2, 2A THROUGH 2G (ASSIGNMENT)

COUNTY: Garfield FUND: School

The lease hold interest of Plateau Resources Limited, 877 North 8th West, Riverton, Wyoming, 82501, in the above referenced development leases has been conveyed to Uranium One Ticaboo Inc., 3801 Automation Way, Suite 100, Fort Collins, CO 80525, by Assignment dated October 16, 2008. This assignment is approved by the Trust Lands Administration on October 23, 2008.

Upon recommendation of Alexa Wilson, the Director approved the assignment of DEVL 2, 2A through 2G.

AMENDMENT TO DEVELOPMENT LEASE NO. 2, 2A THROUGH 2G

PROJECT: Ticaboo
PROJECT MANAGER: Alexa Wilson
NEW CONTRACT NO.: DEVL 2

PROJECT CODE: TCABO 000 00

FUND: School

DATE OF AMENDMENT: September 1, 2008

TERM: 20 years

OPTION TERMS: 2 times 10 years

RENT: \$5,000 Residential Base Rent per year

\$20,000 Commercial Base Rent per year

Percentage rent on all commercial ventures on the property

LESSEE:

URANIUM ONE TICABOO INC. 3801 Automation Way, Suite 100 Fort Collins, CO 80525

LEGAL DESCRIPTION:

Township 36 South, Range 11 West, SLB&M

Sections 16: All, except for that parcel conveyed to the State Road Commission of Utah, those parcels conveyed to Garfield County, and those housing lots conveyed to various private parties.

Containing approximately 597.18 acres, more or less.

NUMBER OF ACRES BY COUNTY: 597.18 acres - Garfield County

NUMBER OF ACRES BY FUND: 597.18 acres - School

DESCRIPTION OF TRANSACTION:

Development Lease DEVL 2, 2A through 2G have all been replaced by one lease. This lease will be assigned the number DEVL 2 for recordkeeping purposes.

Upon recommendation of Alexa Wilson, the Director approved the amendment of DEVL 2, 2A through 2G.

CORRECTION OF FOOTHILLS CANYON DRIVE ROAD DEDICATION (DEVL 825)

IN THE SEPTEMBER 15, 2008, DIRECTOR'S MINUTES, PAGES 19-20, THE DEVL NO. WAS REPORTED INCORRECTLY AND THE LEGAL DESCRIPTION WAS INCOMPLETE; BOTH ITEMS HAVE BEEN CORRECTED AS SHOWN HERE IN BOLD.

PROJECT: Coral Canyon
PROJECT MANAGER: Alexa Wilson
CONTRACT NO. **DEVL 825**PROJECT CODE: SUNCR 000 00

FUND: Miners Hospital (11.38 acres)

School (0.07 acres)

DATE OF RECORDING: July 29, 2008

PLAT DEDICATION NO.: 169

CONVEYANCE TO:

HURRICANE CITY 147 North 870 West Hurricane, UT 84780

TRANSACTIONAL CONTEXT:

Development pursuant to development Lease DEVL 610.

LEGAL DESCRIPTION:

Township 41 South, Range 14 West, SLB&M Sections 32 and 33:

X

Township 42 South, Range 14 West, SLB&M

Sections 4 and 5:

Portion of Foothills Canyon Drive:

Beginning at a point which is South 89°04'39" East 1992.01 feet and North 00°00'00" East 180.50 feet from the West Quarter Corner of Section 4, Township 42 South, Range 14 West, Salt Lake Base and Meridian, said point also being on the Coral Canyon Development Lease Boundary as described in Development Lease No. 610, dated June 30, 1999, between SunCor Development and The State of Utah, as to which a Memorandum of Lease was recorded July 2, 1999, as Entry No. 00653936, in Book 1339, said point also being on the Northerly Right-of-Way line of the Highway 91, recorded as Entry No. 579572, Book 1141, Page 24, in the office of the Washington County Recorder, in said County, in the State of Utah, and running thence North 34°41'35" West 29.63 feet to the point of curvature of a 540.00 foot radius curve concave to the right; thence Northeasterly 781.94 feet along the arc of said curve through a central angle of 82°57'57" to the point of reverse curvature of a 960.00 foot radius curve concave to the left, the radius point of which bears North 41°43'38" West; thence Northwesterly 946.29 feet along the arc of said curve through a central angle of 56°28'40" to the point of reverse curvature of a 540.00 foot radius curve concave to the right, the radius point of which bears North 81°47'42" East; thence Northeasterly 253.38 feet along the arc of said curve through a central angle of 26°53'06" to the point of reverse curvature of a 460.00 foot radius curve concave to the left, the radius point of which bears North 71°19'12" West; thence Northwesterly 204.85 feet along the arc of said curve through a central angle of 25°30'57" to the point of reverse curvature of a 540.00 foot radius curve concave to the right, the radius point of which bears North 83°09'51" East; thence Northeasterly 308.33 feet along the arc of said curve through a central angle of 32°42'55" the point of reverse curvature of a 460.00 foot radius curve concave to the left, the radius point of which bears North 64°07'14" West; thence Northwesterly 326.79 feet along the arc of said curve though a central angle of 40°42'13"

CORRECTION OF FOOTHILLS CANYON DRIVE ROAD DEDICATION (DEVL 825) (CONTINUED)

to the point of tangency; thence North 14°49'27" West 213.72 feet to the point of curvature of a 530.00 foot radius curve concave to the left; thence Northwesterly 767.17 feet along the arc of said curve through a central angle of 82°56'07" to the point of tangency; thence South 82°14'26" West 343.00 feet to the point of curvature of 960.00 foot radius curve concave to the left; thence Southwesterly 248.73 feet along the arc of said curve through a central angle of 14°50'41" to the point of tangency; thence South 67°23'45" West 1009.92 feet to the point of curvature of a 710.00 foot radius curve concave to the left; thence Southwesterly 705.26 feet along the arc of said curve through a central angle of 56°54'47" to the point of non-tangency, the radius point of which bears South 79°31'03" East; thence North 79°31'03" West 80.00 feet to the point of curvature of a 790.00 foot radius curve concave to the right, the radius point of which bears South 79°31'03" East; thence Northeasterly 784.72 feet along the arc of said curve through a central angle of 56°54'47" to the point of tangency; thence North 67°23'45" East 1009.92 feet to the point of curvature of a 1040.00 foot radius curve concave to the right; thence Northeasterly 269.45 feet along the arc of said curve though a central angle of 14°50'41" to the point of tangency; thence North 82°14'26" East 343.00 feet; to the point of curvature of a 610.00 foot radius curve concave to the right, the radius point of which bears South 07°45'34" East; thence Southeasterly 882.97 feet along the arc of said curve through a central angle of 82°56'07" to the point of tangency; thence South 14°49'27" East 213.72 feet to the point of curvature of a 540.00 foot radius curve concave to the right; thence Southwesterly 383.62 feet along the arc of said curve through a central angle of 40°42'13" to the point of curvature of a 460.00 foot radius curve concave to the left, the radius point of which bears South 64°07'14" East; thence Southeasterly 262.66 feet along the arc of said curve through a central angle of 32°42'55" to the point of reverse curvature of a 540.00 foot radius curve concave to the right, the radius point of which bears South 83°09'51" West; thence Southwesterly 240.48 feet along the arc of said curve through a central angle of 25°30'57" to the point of reverse curvature of a 460.00 foot radius curve concave to the left, the radius point of which bears South 71°19'12" East; thence Southeasterly 215.85 feet along the arc of said curve though a central angle of 26°53'06" to the point of reverse curvature of a 1040.00 foot radius curve concave to the right, the radius point of which bears South 81°47'42" West; thence Southwesterly 1025.15 feet along the arc of said curve though a central angle of 56°28'40" to the point of reverse curvature of a 460.00 foot radius curve concave to the left, the radius point of which bears South 41°43'38" East; thence Southeasterly 666.09 feet along the arc of said curve through a central angle of 82°57'57" to the point of tangency; thence South 34°41'35" East 29.65 feet to the point on said Coral Canyon lease and a point on the said Right-of-Way of Highway 91; said point also being a point on the arc of a 650.00 foot radius curve concave to the left, the radius point of which bears South 31°09'10" East; thence Southwesterly 80.08 feet along the arc of said curve through a central angle of 7°03'22" the radius point of which bears South 38°12'32" East, said point also being the point of beginning.

Contains 11.45 acres, more or less.

NUMBER OF ACRES BY COUNTY: 11.45 acres - Washington County

NUMBER OF ACRES BY FUND: 11.38 - Miners Hospital

0.07 - School

MINERAL RESERVATIONS:

Excepting and reserving to the State all coal, oil and gas, and other mineral deposits.

SURFACE RESERVATIONS:

None

This item was submitted for record-keeping purposes by Alexa Wilson.

ACTIONS CONTAINING FEE WAIVERS

SURFACE

GRAZING PERMIT NO. 22300-08 (AMENDMENT OF EXPIRATION DATE)

GP 22300-08 is issued to Phillip E. Allred, P.O. Box 96, Fountain Green, UT 84632. The permittee has completed RIP 301 and meets the requirement to have the expiration date of GP 22300-08 extended five (5) years. GP 22300-08 will now expire June 30, 2028. The \$50.00 amendment fee is being waived. Juab County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the extended expiration date of GP 22300-08.